Division of State Lands & Forestry 355 West North Temple 3 Triad Center, Suite 400 Salt Lake City, Utah 84180-1204

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NOTICE

MAY 1 6 1985

PLAN OF MINING OPERATIONS

DIVISION OF OIL

LEASE NUMBER:

U.S.L. No. 1937

GAS & MINING

LOCATION:

T.21.S., R.1.W., Sec.2., Sevier County, Utah.

OPERATOR:

Western Clay Company

P.O. Box 1067

Aurora, Utah 84620

DESCRIPTION OF EXISTING OPERATION:

An existing pit is situated approximately 1/2 miles southwest of the proposed pit. The existing pit is within the boundaries of the lease. It is requested this pit be maintained for possible future development.

The purpose of the pits is to mine bentonite clay to be processed through Western Clays' plant in Aurora, Utah.

PRODUCTION & AREA DISTURBED:

The proposed surface area to be disturbed is 8.3 acres. This will include the open pit for mining, waste disposal area and settling pond for natural runoff from operations.

The production will be governed by the demand or sales of the product. This can vary from 2,000 tons to 12,000 tons per year.

DEVELOPMENT MAP:

A mining plan map has been prepared and presented with this application. The map graphically illustrates the location of the pit, the waste area, settling pond and elevations showing the drainage.

MINING METHODS:

The clay deposit does not require blasting or the use of explosives. It may at times require some ripping. The clay is mined and loaded from the pit with a front end loader. The material is loaded directly into a truck for transport to the processing plant. At the plant site it is dumped onto a pad and spread out for drying.

Plan of Mining Operation, Western Clay (continued):

MINING METHODS (continued):

The deposit has only a small amount of overburden. The only overburden to be removed will be a skim off the top of the clay to eliminate any contamination. Any portion of the overburden that would allow any plant growth will be stockpiled separately for reclamation purposes.

A waste area has been designated that will allow ample room for reclamation stockpile and waste. The waste area is situated so runoff will drain into settling pond.

WATER:

The area does not have any existing water. All drainage and channels have been formed by natural runoff. No water is required for the mining operation. The bentonite has enough contained moisture so no spraying is required to retain any dust hazard that may exist.

ROUTES & TRANSPORT:

All transporting of materials will be on existing roads from pit area to plant. Other than smoothing out of present roads no additional road repairs will be made.

PERSONNEL:

Since it is an existing operation no plans are made for additional personnel. The number of persons required for the operation should not exceed three people.

RECLAMATION:

Reclamation of all areas will be completed to the standard of the reclamation requirements. Reasonable measures will be taken to prevent unnecessary or undue degradation of the State Lands during operations.

All areas will be reclaimed as advised by the State Land management.

All trash will be disposed of properly.

DATE: 5/15

Weal J. Mortensen

WESTERN CLAY COMPANY

President